

news/broadcast NETWORK

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PHILIP MORRIS USA

TOBACCO INDUSTRY RESPONSE TO "DAY ONE"

RADIO NEWS RELEASE

Release Date:	March 1, 1994
Invoice Number:	10303
Release Description:	1 story for Nat'l Satellite, State Network & Target Market release.
Stations with Story Access:	3,225

RESULTS:

Total Broadcasts:	1,589
Stations Represented:	1,131
Estimated Audience:	12,413,000

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USAGE TOTALS

The broadcast and impressions figures listed in this report are estimates of actual broadcast use and audience based on research with radio stations around the country. We project overall use from regular random surveys of stations with story access. Impressions are based on average quarter hour listening estimates made and copyrighted by the Arbitron Ratings Company. This page breaks out broadcasts from direct to station release and through national satellite distribution.

Broadcasts from individual custom placements

On air use by stations which received stories distributed through direct one-to-one contact between radio station news editors and our Station Communications Department:

Broadcasts.....	592
Stations represented.....	310
Impressions.....	4,292,000

Broadcasts from state network release

On air use by stations which receive stories distributed through state radio network services:

Broadcasts.....	470
Stations represented.....	470
Impressions.....	3,615,000

Broadcasts from satellite release

On air use by stations which receive stories distributed through national radio network satellite services:

Broadcasts.....	527
Stations represented.....	351
Impressions.....	4,506,000

Broadcast totals

Total on air use through all distribution sources:

Broadcasts.....	1,589
Stations represented.....	1,131
Impressions.....	12,413,000

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COST ANALYSIS

Ad rate equivalency of air time*

The 10,000 plus commercial radio stations in the U.S. and Canada value their air time at advertising rates between ten dollars and one thousand dollars per minute. For the purposes of this report, we assign an industry wide advertising equivalency cost of \$25 per air minute. Each story broadcast is considered one air minute regardless of actual story time length.

Equivalent value of airtime if purchased at \$25 per minute...\$39,725

Cost per minute of airtime generated by N/BN.....\$4.03

Cost per thousand listeners*

Cost per thousand listeners (CPM) is a valuation of the advertising expenditure required to reach 1,000 listeners on a given broadcast facility. For specific radio stations, the CPM varies from under one dollar to over twenty dollars. For the purposes of this report, we assign an industry wide CPM of three dollars.

Equivalent value of impressions at CPM of \$3.00.....\$37,239

CPM delivered by N/BN.....\$0.52

*Production charges are not included when determining airtime and CPM equivalencies.

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State network release: These are direct feeds to the newsrooms of state networks. State networks serve groups of interconnected stations within a state, providing them newscasts, sports shows and other specialized programming, depending on the network's arrangement with its affiliates.

State networks accepting.....	8
Stations represented.....	470
Station/story placements.....	470
State network impressions.....	3,615,000

Total station reach: This is the total of stations reached through custom placement, satellite delivery and state network release.

Total station access, all sources.....	3,225
Total Station/Story placements.....	3,225

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TRANSCRIPT

TOBACCO INDUSTRY RESPONSE TO "DAY ONE"

A MAJOR TOBACCO COMPANY REACTED QUICKLY TO CHARGES MADE MONDAY BY ABC'S "DAY ONE" THAT CIGARETTE COMPANIES ADD NICOTINE TO CIGARETTES. PHILIP MORRIS USA SAID IN A STATEMENT TODAY THAT "NOTHING DONE IN THE PROCESSING OF TOBACCO OR MANUFACTURE OF CIGARETTES BY PHILIP MORRIS INCREASES THE NICOTINE IN THE TOBACCO BLEND ABOVE WHAT IS FOUND NATURALLY IN TOBACCO." PHILIP MORRIS SENIOR VICE PRESIDENT STEVE PARISH SAYS SUCH MISINFORMATION HAS RAISED THE SPECTRE OF PROHIBITION WITHIN THE FDA:

"FDA Commissioner Kessler, based apparently on inaccurate information, has stated that under FDA regulation cigarettes, as we know them today, could be removed from the market. In other words, he's talking about Prohibition. Anyone who lived through, or who has studied Prohibition in the United States, knows that Prohibition of an existing legal product does not work, and causes all kinds of potential problems for society. Prohibition didn't work in the 1920s and it won't work in the 1990s."

PARISH SAYS PHILIP MORRIS HAS MEASURED NICOTINE IN CIGARETTES ACCORDING TO FTC METHODS FOR YEARS. I'M JAMES HILL.

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DISTRIBUTION SERVICES

Coverage summary: 1 story for National Satellite, State
Network and Target Market release.

Custom placement release: A *station contact* is a contact between our Station Communication Department (SCD) and a radio station news editor for the purpose of offering that station a news feed. A *station acceptance* is the recording of a story, actuality or information by a newsperson during a station contact. A station acceptance is not counted until a newsperson accepts material from an SCD communicator. *Station/Story placements* counts multiple feeds of separate stories to individual stations. A radio station is under no obligation to N/BN or its clients to air a news feed accepted from N/BN.

Station contacts.....	592
Station acceptances.....	443
Percentage of stations accepting.....	75%
Markets represented.....	227
Station/Story placements.....	443
Release date.....	March 1, 1994

Satellite release: Radio stations downlink news and other programming material from their affiliate network satellite services. By contractual agreement, N/BN provides regularly scheduled AudioLine network radio news feeds through the satellite facilities of Associated Press Radio, Westwood One/Mutual Broadcasting System and National Public Radio.

Satellite coordinates: Satcom 1-R Timezone channels, 6:05 pm ET
Spacenet III Transponder 1 4:17 pm ET
Westar IV Transponder 3 4:17 pm ET
Westar IV Channel 12, 1:00 pm ET

Stations with access to satellite release.....	2,312
Station/Story placements.....	2,312

Station reach: This is the total of stations reached through custom placement and satellite delivery. *Station access* counts stations with access one time even if there were multiple stories fed to individual stations. *Station/story placements* counts all story placements including multiple feeds to individual stations.

Station access, custom placement/satellite.....	2,755
Station/Story placements.....	2,755

TOTAL NETWORK STATION BROADCASTS: 470

REPORT OF INDIVIDUAL FEEDS TO STATE AND REGIONAL NETWORKS

NETWORK	NO. OF STATIONS	STORY ACCEPTED	NOT ACCEPTED
ALABAMA			1
ALLEGHENY	10	1	
ARKANSAS			1
CONNECTICUT	33	1	
FLORIDA			1
GEORGIA	141	1	
KANSAS			1
KENTUCKY	83	1	
LOUISANNA	67	1	
MAINE			1
MONTANA			1
NORTH CAROLINA			1
NORTH DAKOTA	24		1
SOUTH DAKOTA	17	1	
OKLAHOMA			1
TENNESSEE	75	1	

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REPORT OF INDIVIDUAL FEEDS TO STATE AND REGIONAL NETWORKS

PAGE 2

NETWORK	NO. OF STATIONS	STORY ACCEPTED	NOT ACCEPTED
TEXAS			1
VIRGINIA			1
WEST VIRGINIA			1
WISCONSIN	20	1	

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STATIONS ACCEPTING CUSTOM PLACEMENTS

CITY/STATE	STATION	CITY/STATE	STATION
BIRMINGHAM, AL	WERC		
PHEONIX, AZ	KTAR		
SACRAMENTO, CA	KFBK		
DENVER, CO	KOA		
HARTFORD, CT	WICC		
WASHINGTON DC	WMAL		
MIAMI, FL	WINZ		
ATLANTA, GA	WSB		
BOISE, ID	KIDO		
CHICAGO, IL	WMAQ		
CEDAR RAPIDS, IA DES MOINES, IA	WMT WHO	DAVENPORT, IA	WOC
LOUISVILLE, KY	WHAS		
BOSTON, MA	WBZ		
MINNEAPOLIS, MN	WCCO		
KANSAS CITY, MO	KCMO	KANSAS CITY, MO	KDAF
ST LOUIS, MO	KMOX		
MANCHESTER, NH	WGIR		
NEW YORK, NY NEW YORK, NY	WLIB WBBR	NEW YORK, NY	WFAN
CHARLOTTE, NO	WBT	DURHAM, NC	WPTF
OKLAHOMA CITY, OK	KTOK		

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STATIONS ACCEPTING CUSTOM PLACEMENTS

PAGE 2

CITY/STATE	STATION	CITY/STATE	STATION
PORTLAND, OR	KEXN	PORTLAND, OR	KXL
HARRISBURG, PA	WHP		
COLUMBIA, SC	WVOC		
NASHVILLE, TN	WKDA		
BURLINGTON, VT	WJOY		
NORFOLK, VA	WNIS		
SEATTLE, WA	KIRO		
CHARLESTON, WV	WCAW		
MILWAUKEE, WI	WISN		
NEW YORK, NY	WJDM	NEW YORK, NY	WNYU
CHICAGO, IL	WCGO	CHICAGO, IL	WVAZ
SAN FRANCISCO, CA	KPOO	SAN FRANCISCO, CA	KSOL
PHILADELPHIA, PA	WHYY	PHILADELPHIA, PA	WOGL
DALLAS, TX	KTXQ	DALLAS, TX	KEGL
DETROIT, MI	WMTG	DETROIT, MI	WPON
HOUSTON, TX	KILT	HOUSTON, TX	KSSQ
MIAMI, FL	WQAM	MIAMI, FL	WMRZ
WASHINGTON DC	WOL	BOSTON, MA	WNSH
BOSTON, MA	WNTN	SEATTLE, WA	KMPS
SEATTLE, WA	KWYZ	LONG ISLAND, NY	WUSB
LONG ISLAND, NY	WUSB	ATLANTA, GA	WKLS
ST LOUIS, MO	KATZ	ST LOUIS, MO	KSLQ
ST LOUIS, MO	WHCO	ST LOUIS, MO	KLPW
ST LOUIS, MO	WJBM	ST LOUIS, MO	WKKX
ST LOUIS, MO	WINU	ST LOUIS, MO	KMJM
ST LOUIS, MO	KCLC	ST LOUIS, MO	KCFV
ST LOUIS, MO	KSTL	JOPLIN, MO	KBTN
JOPLIN, MO	KDMO	JOPLIN, MO	KQYX
JOPLIN, MO	KFSB	JOPLIN, MO	KKOW
COLUMBIA, MO	KARO	COLUMBIA, MO	KFRU

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STATIONS ACCEPTING CUSTOM PLACEMENTS

PAGE 3

CITY/STATE	STATION	CITY/STATE	STATION
COLUMBIA, MO	KFMZ	AVA, MO	KKOZ
BETHANY, MO	KAAN	BIRCH TREE, MO	KBMV
BLUE SPRINGS, MO	KBZR	BUTLER, MO	KMAN
CALIFORNIA, MO	KZMO	CAMDENTON, MO	KFXE
CAMERON, MO	KMRN	CARROLLTON, MO	KAOL
DEXTER, MO	KDEX	JEFFERSON CITY, MO	KWOS
LIBERTY, MO	KKCJ	MARSHALL, MO	KMMO
POPLAR BLUFF, MO	KLID	SPRINGFIELD, MO	KWTO
WAYNESVILLE, MO	KJPW	CARTHAGE, MO	KMXL
CHILLICOTHE, MO	KCHI	CLINTON, MO	KDKD
CUBA, MO	KGNN	EL DORADO SPRINGS, MO	KESM
ELDON, MO	KBMX	FESTUA, MO	KJCF
FLAT RIVER, MO	KFMO	FLORISSANT, MO	KXOK
FULTON, MO	KFAL	HOUSTON, MO	KBTC
KIRKSVILLE, MO	KIRX	LEBANON, MO	KJEL
LEXINGTON, MO	KISF	MALDEN, MO	KTCB
MEMPHIS, TN	KMEM	MOBERLY, TN	KWIX
MONETT, MO	KRMO	MOUNTAIN GROVE, MO	KCMG
NEVADA, MO	KNEM	PALMYRA, MO	KICK
POINT LOOKOUT, MO	KXOZ	POPLAR BLUFF, MO	KAHR
ROLLA, MO	KTTR	ST CHARLES, MO	KIRL
ST JOSEPH, MO	KFEZ	SALEM, MO	KSMO
FRANKFORT, KY	WFKY	FRANKFORT, KY	WKED
GEORGETOWN, KY	WTKT	LEXINGTON, KY	WKQQ
LEXINGTON, KY	WLAP	LEXINGTON, KY	WLXG
LEXINGTON, KY	WLCU	RICHMOND, KY	WEKU
RICHMOND, KY	WEKY	BEREA, KY	WKXO
LANCASTER, KY	WRNZ	WEST LIBERTY, KY	WLKS
STANTON, KY	WSKV	IRVINE, KY	WIRV
MAYSVILLE, KY	WFTM	MOREHEAD, KY	WMKY
CYNTHIANA, KY	WCYN	GREENUP, KY	WTCV
CATLETTSBURG, KY	WCMI	ASHLAND, KY	WRVC
LOUISA, KY	WSAC	ELIZABETHTOWN, KY	WKUE
ELIZABETHTOWN, KY	WQXE	HARDINSBURG, KY	WHIC
OWENSBORO, KY	WKWC	OWENSBORO, KY	WOMI
OWENSBORO, KY	WVJS	GRAYSON, KY	WGOH
GLASGOW, KY	WCLU	CAVE CITY, KY	WHHT
MUNFORDVILLE, KY	WLOC		

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STATIONS ACCEPTING CUSTOM PLACEMENTS

PAGE 4

CITY/STATE	STATION	CITY/STATE	STATION
TELL CITY, IN	WTCJ	JASPER, IN	WBDC
LIBERTY, KY	WKDO	JAMESTOWN, KY	WJKY
ALBANY, KYI	WANY	ERLANGER, OH	WIZF
EMINENCE, KY	WKXF	SHELBYVILLE, KY	WCND
BARDSTOWN, KY	WBRT	CAMPBELLSVILLE, KY	WTCO
GREENSBURG, KY	WAKY	COLUMBIA, KY	WAIN
CUMBERLAND, KY	WCPM	ALLEN, KY	WMDJ
SCOTTSVILLE, KY	WLCK	FRANKLIN, KY	WFKN
LEBANON, KY	WLBN	LOUISVILLE, KY	WRKA
LOUISVILLE, KY	WVEZ	FORT KNOX, KY	WASE
DANVILLE, KY	WHIR	VANCLEVE, KY	WMTC
PRESTONBURG, KY	WDOC	PIKEVILLE, KY	WLSI
PIKEVILLE, KY	WPKE	HAZARD, KY	WEKH
HAZARD, KY	WJMD	HAZARD, KY	WKIC
HAZARD, KY	WQXY	MANCHESTER, KY	WKLB
MANCHESTER, KY	WTBK	MANCHESTER, KY	WWXL
WHITESBURG, KY	WTCW	CUMBERLAND, KY	WCPM
HARLAN, KY	WHLN	CORBIN, KY	WCTT
MIDDLESBORO, KY	WFXV	WILLIAMSBURG, KY	WEZJ
SOMERSET, KY	WDCL	SOMERSET, KY	WLLK
SOMERSET, KY	WSFC	MONTICELLO, KY	WFLW
MONTICELLO, KY	WMKZ	HARRODSBURG, KY	WHBN
RALEIGH, NC	WRAL	RALEIGH, NC	WHEV
RALEIGH, NC	WKIX	RALEIGH, NC	WQOK
RALEIGH, NC	WRDU	RALEIGH, NC	WSHA
DURHAM, NC	WTKI	DURHAM, NC	WDNC
DURHAM, NC	WSRC	DURHAM, NC	WCHL
DURHAM, NC	WXDU	BURLINGTON, NC	WZZU
BURLINGTON, NC	WBBB	SMITHFIELD, NC	WMPM
SILVER CITY, NC	WNCA	OXFORD, NC	WCBQ
ROXBORO, NC	WRXO	SANFORD, NC	WWGP
HENDERSON, NC	WIZS	LOUISBURG, NC	WYRN
ASHEBORO, NC	WKXR	ASHEBORO, NC	WZOO
FAYETTEVILLE, NC	WFNC	FAYETTEVILLE, NC	WESS

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